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September 23, 2005

Roger Plemens
President & Chief Executive Officer

Mr. John F. Carter, Director
FDIC San Francisco Regional Office
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 94105

Dear Director Carter:

In July, Wal-Mart applied to open an industrial loan company in Utah. They'll need your approval to proceed. For a multitude of reasons, I believe Wal-Mart has no business in banking.

While not the original purpose, today ILCs are used to side-step federal restrictions on the separation of banking and commerce. Throughout this country's history, government has taken a stand against mixing the two. Congress reaffirmed its opposition to the mixing of banking and commerce in the Gramm-Leach-Bliley Act. To date, Wal-Mart has attempted to worm its way into banking, circumventing federal government regulations, at least three times. Don't let this attempt be successful.

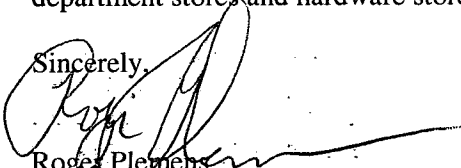
Wal-Mart is notoriously bad for communities. Study after study shows real community deterioration post Wal-Mart arrival. A 1995 study of Iowa showed that, since Wal-Mart's entry into the state in 1983, 50% of clothing stores had closed, 30% of hardware stores had closed, 42% of variety stores had closed, 26% of department stores had closed, etc.. Other studies find that for every job Wal-Mart creates, at least 1.5 jobs are lost. And, what is the first thing Wal-Mart does with it's windfall in each new community? Send its daily earnings back to corporate headquarters in Arkansas. This is classic community dis-investment

With this track record, Wal-Mart would surely drive community banks out of business, should it be permitted to "compete". According to the Independent Community Bankers of America, "Wal-Mart has the financial resources to do the same thing to community banks as community grocery stores- to drive them out of business." These are the same community banks that built and continue to drive local economies across the nation.

In the midst of lawsuits for gender and race discrimination, low wages and violation of child labor laws, Wal-Mart repeatedly shows a disregard for rules and regulations. I have no doubt its foray into banking would be a repeat performance - upping the risk for bank failure immeasurably. They've already asked for exemption from the Community Reinvestment Act - claiming that it will voluntarily make community donations. Again, in towns all across America, Wal-Mart has a history of limiting the approval of requests for local charity.

Allowing this request opens the doors for an unprecedented concentration of economic power. When a Wal-Mart bank branch exists in every store, community banks will go the way of the local clothing stores, department stores and hardware stores. Is that your vision of your hometown?

Sincerely,


Roger Plemens
President and CEO